



Enduring Resources

475 17TH Street Suite 1500 Denver Colorado 80202
Telephone 303 573-1222 Fax 303 573 0461

May 8, 2008

Charles McDonald
Bureau of Land Management
Vernal Field Office
170 South 500 East
Vernal, Utah 84078

RE: Bonanza 9-24-14-3
Surface Location: SWSW 3-9S-24E
580' FSL – 790' FWL
Uintah County, Utah
Lease Serial No.: UTU-~~81~~748

Dear Mr. McDonald:

Enclosed are three original applications to drill concerning the above-referenced proposed well. This information was also submitted to the State of Utah - Division of Oil, Gas, and Mining.

Enduring Resources, LLC is requesting this application and all future information be held as confidential as long as permitted.

If any questions arise or additional information is required, please contact me at 303-350-5114.

Very truly yours,

ENDURING RESOURCES, LLC

Alvin R. (Al) Arlian
Landman – Regulatory Specialist

ara

Enclosures as stated:

RECEIVED

MAY 19 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

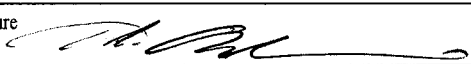
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-81748
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Enduring Resources, LLC		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 475 17th Street, Suite 1500 Denver, CO 80202	3b. Phone No. (include area code) 303-350-5114	8. Lease Name and Well No. Bonanza 9-24-14-3
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSW 580' FSL - 790' FWL At proposed prod. zone Same as surface		9. API Well No. 43047-40076
14. Distance in miles and direction from nearest town or post office* 3.7 miles Northwest of Bonanza, UT		10. Field and Pool, or Exploratory Undesignated
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 580'		11. Sec., T. R. M. or Blk. and Survey or Area Sec 3 T9S R24E S.L.B.&M.
16. No. of acres in lease Approx. 600		12. County or Parish Uintah
17. Spacing Unit dedicated to this well 40 acres		13. State UT
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +		20. BLM/BIA Bond No. on file BLM - UTB000173
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5212' RT-KB		22. Approximate date work will start* 07/01/2008
23. Estimated duration 30 days		


24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Alvin R. (Al) Arlian	Date 05/08/2008
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Title
Landman - Regulatory Specialist

Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 05-22-08
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Title
Officer ENVIRONMENTAL MANAGER

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this
Action is Necessary

RECEIVED

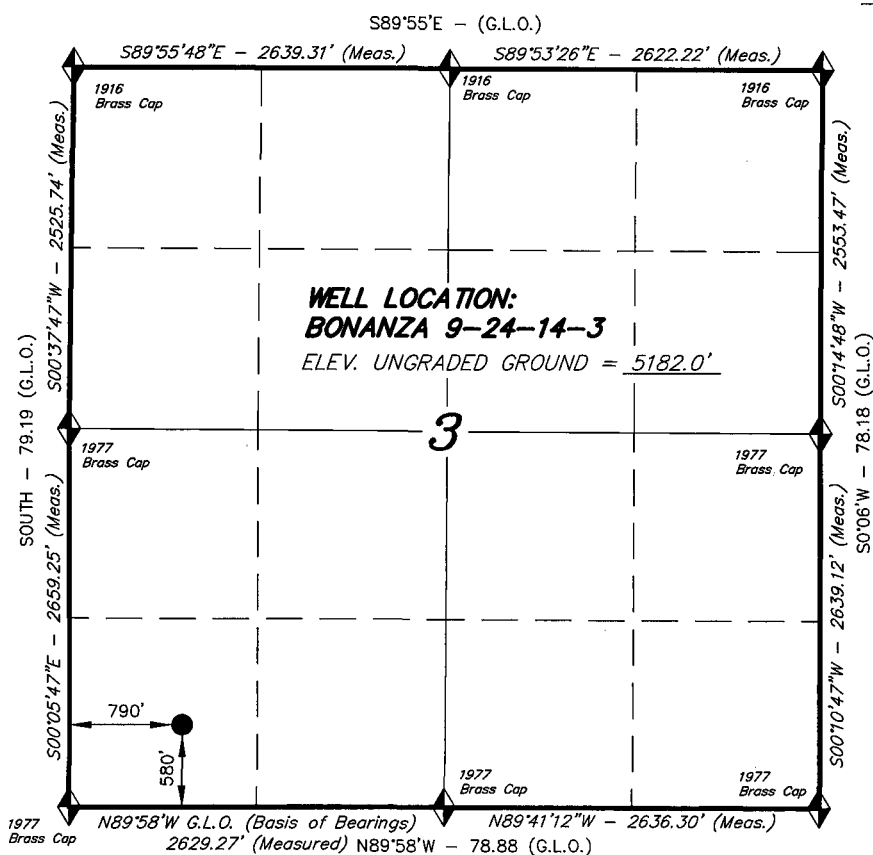
MAY 19 2008

DIV. OF OIL, GAS & MINING

652997X
44356554
40.059157
-109.266173

ENDURING RESOURCES

WELL LOCATION, BONANZA 9-24-14-3,
LOCATED AS SHOWN IN THE SW 1/4 SW
1/4 OF SECTION 3, T9S, R24E, S.L.B.&M.
UINTAH COUNTY, UTAH.



THIS IS TO CERTIFY THAT THE ABOVE PLAN WAS
PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS
MADE BY ME OR UNDER MY SUPERVISION AND THAT
THE SAME ARE TRUE AND CORRECT TO THE BEST OF
MY KNOWLEDGE AND BELIEF. No. 189377

STACY W.
REGISTERED LAND SURVEYOR
REGISTRATION No. 12237
STATE OF UTAH

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078
(435) 781-2501

DATE DRAWN:

3-21-05

SURVEYED BY: D.P.

REVISÉ:

DRAWN BY: F.T.M.

NOTES:

SCALE: 1" = 1000'

SHEET

1

OF 8

 = SECTION CORNERS LOCATED

BASIS OF ELEV; U.S.G.S. 7-1/2 min
QUAD (BONANZA)

BONANZA 9-24-14-3
(Surface Location) NAD 83
LATITUDE = 40° 03' 33.16"
LONGITUDE = 109° 12' 24.68"

**Enduring Resources, LLC
Bonanza 9-24-14-3
SWSW 3-9S-24E
Uintah County, Utah
Federal Lease: UTU- 81748**

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

Formation	Depth (K.B.)
Uinta	Surface
Green River	594
Wasatch	3894
Mesaverde	5091
Mancos	8720
Morrison	12141

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:

Substance	Formation	Depth (K.B.)
	GR 5182'	
	KB-Uinta Elevation: 5212'	
Oil / Gas	Green River	594
Oil /Gas	Wasatch	3894
Oil /Gas	Mesaverde	5091
Oil /Gas	Mancos	8720
Oil /Gas	Morrison	12141
	Estimated TD	12870

An 12 1/4" hole will be drilled to approximately 2016 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set. Surface casing will be pre-set before drilling rig is moved on location.

3. Pressure Control Equipment: (3000 psi schematic attached)

- A. Type: Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 5,000 psi casinghead, with 5,000 psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2*. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume.

- B. Pressure Rating: 5,000 psi BOPE
- C. Kelly will be equipped with upper and lower Kelly valves.
- D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the stack rated working pressure for a period of ten (10) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the annular preventer is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to the approved working pressure of the BOP stack (if isolated from the surface casing by a test plug) or to 70% of the internal yield strength of the surface casing (if the BOP is not isolated from the casing by a test plug). Pressure will be maintained for a period of at least ten (10) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following related repairs; and
4. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

- E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

4. Proposed Casing & Cementing Program:

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
12 1/4"	9-5/8"	36#	J-55	ST&C	0 – 2,016' (KB) est.
8 1/2"	7"	26#	HCP-110	LT&C	0 – 9000' (KB)
7-7/8"	4-1/2"	15.1#	N-80	LT&C	0 – 12870' (KB)

The surface casing will have guide shoe. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe. Surface casing will be pre-set before drilling rig is moved on location.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	9-5/8", 36#/ft, J55, STC	2020/2.24(a)	3520/3.91(b)	394/6.25(c)
9000' (KB)	7", 26#/ft, N-80, LTC	6230/1.27(d)	9960/2.32 (e)	522/2.60(f)
12870 (KB)	4-1/2", 15.1#/ft, N-80, LTC	11080/2.26(d)	10480/2.44 (e)	247/2.11(f)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus
- (c.) based on casing string weight in 8.6 ppg mud
- (d.) based on full evacuation of pipe with 10.0 ppg fluid on annulus
- (e.) based on 9.2 ppg gradient, gas to surface, with no fluid on annulus, no gas gradient
- (f.) based on casing string weight in 9.2 ppg mud

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
9-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	498	25%	11.1	3.50
9-5/8"	Tail	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	196	25%	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂.+0.25 pps celloflake. Volume as required

Surface Casing (if well will not circulate) - Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
8-5/8"	Lead	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	196	25	15.8	1.15
8-5/8"	Top job	As req.	Premium cement + 3% CaCl ₂ + 0.25 pps celloflake	As Req.		15.8	1.15

Intermediate Casing - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
7"	Lead	2994	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	94	25	11.0	3.3
7"	Tail	4885	50/50 POZ Class G + 2% gel +1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	635	25	14.3	1.56

Production Casing and Liner - Cemented TD to 300' above base of surface casing.

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
4 1/2"	Lead	300	Class "G" + 5% NaCl + 12% Gel + 0.25 pps celloflake + 0.2% antifoam + 0.25% fluid loss + 1% extender	22	25	11.0	3.3
4-1/2"	Tail	3469	50/50 POZ Class G + 2% gel +1% CaCl ₂ + 0.2% dispersant + 0.2% fluid loss + 0.1% antifoam	810	25	14.3	1.56

Cement volumes for the 4-1/2" Production Casing will be calculated to provide a top of cement to 300' above base of Intermediate casing. Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. **Drilling Fluids (mud) Program:**

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' – 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-9000' (KB)	8.8-10.8	8 - 10 ml	32-42	LSND
9000-12870	10.8-12.5	8-10 ml	40-60	LSND-Possible OBM

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. **Evaluation Program:**

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

- Logging Dual Induction – SFL /Gamma Ray/Caliper/SP/TDLT/CNL/ML TD to Base Surface Casing
- Cement Bond Log / Gamma Ray: TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. **Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 4078 psi (calculated at 0.52psi/foot of 2353 psi (anticipated bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot of hole).

8. **Anticipated Starting Dates:**

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 10 days
- Completion Days - Approximately 10 days
- Anticipate location construction within 30 days of permit issue.

9. **Variances:**

None anticipated

10. **Other:**

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Inclination surveys will be run every 2000 feet to monitor hole angle.

SELF-CERTIFICATION STATEMENT

The following self-certification statement is provided per federal requirements dated June 15, 1988.

Please be advised that Enduring Resources, LLC is considered to be the operator of the following well.

Bonanza 9-24-14-3

Surface Location: SWSW Sec. 3-9S-24E

580' FSL – 790' FWL

Lease Serial No.: UTU-81748

Uintah County, Utah

Enduring Resources, LLC is responsible under the terms and conditions of the lease for the operations conducted upon leased lands. Bond coverage is provided by UTB000173.



Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202
(303) 350-5114

5/8/2008

Date

Enduring Resources, LLC
Bonanza 9-24-14-3
SWSW 3-9S-24E
Uintah County, Utah

Federal Lease: UTU-81748

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Beginning at the city of Bonanza, Utah, proceed northwest on State Highway 45 for a distance of approximately 2.6 miles where there is a turn-off to the left onto an existing road. Turn left and proceed westerly along said existing road for an approximate distance of 0.9 miles. Turn right and proceed northerly for a distance of approximately 1,225' (0.2 miles) along the proposed access to the proposed Bonanza 9-24-14-3 well pad.

2. Planned Access Roads:

- I. The proposed access road will be approximately 1225 feet of new construction;
 - a. *630 feet is on-lease, and
 - b. *595 feet is off-lease. (*footages verbal from Tri-state 5-8-2008)
- II. The balance of the road access from State Highway 45 (0.9 mile) will be using and off-lease existing road (UTU-84758).

Please refer to Topo Map "B" for the takeoff point for the new road construction.

Concurrently herewith a road right-of-way for the off-lease portion of the road located in section 10 is requested.

The proposed access road will be utilized to transport personnel, equipment and supplies to and from the proposed well site during drilling, completion and production operations. The road will be utilized year round.

The access road will be crowned 2% to 3%, ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet right-of-way. Maximum grade of road is 5% or less. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. No fence crossings, culverts, turnouts, cattle guards or major cuts and fills are required. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. Location of Existing Wells within a One-Mile radius (See "Topo" Map "C" attached):

The following wells are wells located within a one (1) mile radius of the proposed location.

- | | | |
|----|-------|---|
| a. | (1): | Water Wells: |
| | | 1. TXP Wilson, SWNE Sec 10, P&A |
| b. | None: | Injection Wells: |
| c. | None: | Producing Wells: |
| d. | None: | Drilling Wells: |
| e. | None: | Shut-in Wells: |
| f. | None: | Temporarily Abandoned Wells: |
| g. | None: | Disposal Wells: |
| h. | None: | Abandoned Wells: |
| i. | None: | Dry Holes: |
| j. | None: | Observation Wells: |
| k. | (6): | Pending (staked) Wells: |
| | | 1. There are six other proposed wells in this section |

4. Location of Existing and/or Proposed Facilities:

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e. production tanks, produced water tanks and/or heater treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank and be independent of the back cut.

All permanent (on site for six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth tone color to match one of the standard environmental colors, as determined by the rocky Mountain Five State Inter-Agency Committee

All facilities will be painted within 6 months of installation. The color shall be Dark Olive Black. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Gas Gathering Pipeline:	ON-LEASE	630'	BLM
	OFF-LEASE	18,766'	BLM

If the well is capable of economic production, a surface gas gathering line and related equipment shall be installed for year around usage. Approximately 19396 feet of 6" or less surface gas gathering pipeline shall be laid to minimize surface disturbance.

The proposed pipeline will begin at the well site, be laid by the eastside of the access road, then the north side of the existing road (UTU84758) then will bore under Hwy 45, and then will run on the east side of Hwy 45 south and tie-in to an existing pipeline.

All State and County roads will be bored under upon State and County approvals to do so.

The meter run will be housed. The gas gathering line will be buried or anchored down from the wellhead to the meter.

Upon plugging and abandonment, the gas gathering line will be removed and the disturbed area will be re-contoured and restored as near as practical to the original condition. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

5. Location and Type of Water Supply:

Water will be purchased from American Gilsonite from the following source. Water Right No. 49-222, Application/Claim No. A29909/a4958, Certificate No. 9915 ("AGC Water Right"). The AGC Water Right consists of nineteen underground water wells located in Sec.2, T10S, R24E, SLBM, piped to and stored in a cistern located in Section 25, T9S, R24E.

Water will be hauled to the location over the roads marked on "Topo" Maps "A" and "B."

No water well is to be drilled on this lease.

6. Source of Construction Materials:

Surface and subsoil materials in the immediate area will be utilized for location and access road construction.

Any gravel will be obtained from a commercial source; however, gravel sized rock debris associated with location and access road construction may be used as access road surfacing material.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, contained in the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break or allow discharge of liquids.

The reserve pit will be lined with $\frac{1}{4}$ inch felt and a minimum of 16 mm plastic with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

A chemical portable toilet will be furnished with the drilling rig. The toilet will be replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

Garbage, trash and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported or disposed of in association with the drilling, completion or testing of this well.

Produced oil will be stored in an oil tank and then hauled by truck to a crude purchaser facility. Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to an approved disposal site.

8. Ancillary Facilities:

During drilling operations, approximately 30 days, the site will be a manned camp. Three or four additional trailers will be on location to serve as the crews' housing and eating facilities. These will be located on the perimeter of the pad site within the topsoil stockpiles. Refer to Sheet 4.

9. Well Site Layout: (Refer to Sheets #2, #3, and #4)

The attached Location Layout Diagrams described drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s) and surface material stockpiles(s).

Please see the attached diagram for rig orientation and access roads.

The top soil will be windrowed rather than piled. It will be reseeded and track walker at the time the location is constructed. Seeding will be with the determined during the onsite. (Refer to "Seed Mixture for Windrowed Top Soil Will included:" following herein.

The top soil removed from the pit area will be store separately and will not be reseeded until the pit is reclaimed.

All pits shall be fence to the following minimum standards:

- a. 39 inch net wire shall be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- b. The net wire shall be no more than 2 inches above the ground. The barbed wire shall be 3 inches over the new wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two fence posts shall be no greater than 16 feet.
- e. All wire shall be stretched by, using a stretching device, before it is attached to corner posts.
- f. The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.
- g. Location size may change prior to drilling the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling, the location will be re-surveyed and a Form 9 will be submitted.

10. Plans for Surface Reclamation:

Producing Location:

- a. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, materials, trash and debris not required for production.
- b. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 40CFR 3162.7.

- c. Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.
- d. The reserve pit and that portion of the location not needed for production facilities / operations will be re-contoured to the approximated natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.
- e. To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface 3 feet above surrounding round surface to allow the reclaimed pit area to drain effectively.
- f. Upon completion of back filling, leveling and re-contouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

- i. Abandoned well sites, roads and other disturbed areas will be restored as nearly as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions and re-establishment of vegetation as specified.
- ii. All disturbed surfaces will be re-contoured to the approximated natural contours with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. If necessary, re-seeding operations will be performed after completion of other reclamation operations.

Seed Mixture for Windrowed Top Soil Will Included:

To be provided by the BLM

11. Surface Ownership: Location, Access and Pipeline Route:

Wellsite: Bureau of Land Management

Access: Bureau of Land Management

Pipeline: Bureau of Land Management (subject to County and State boring approves under County and State roads)

12. Other Information

On-site Inspection for Location, Access and Pipeline Route:

The on-site was conducted on July 25, 2007

Attending were:

1. Janice Cutler - BLM
2. Scott Ackerman - BLM
3. Dustin Gardiner - Tristate
4. Mike Stewart - Ponderosa
5. Doug Hammond - Enduring Resources

Special Conditions of Approval:

None for this well(s).

Archeology:

- a. A Cultural Resource Inventory Report has been prepared by Montgomery Archaeological Consultants and a copy is attached.

Paleontology:

- b. A Paleontology Reconnaissance Report has been prepared by Intermountain Paleo-Consulting and a copy is attached.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the Antiquities Act of June 8, 1906) are discovered, all operations which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

13. Lessee's or Operator's Representatives:

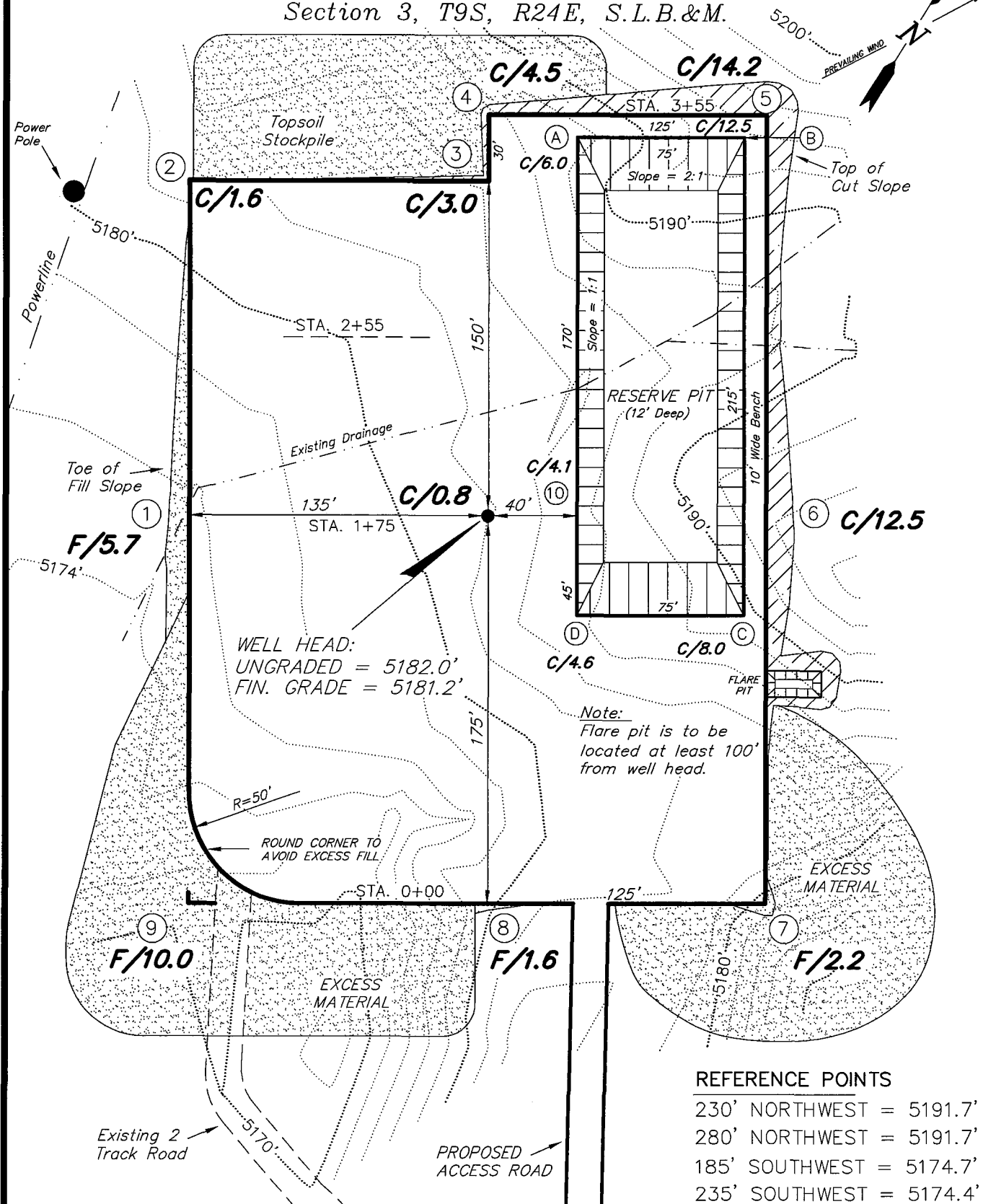
Representatives:

Alvin R. (Al) Arlian
Landman – Regulatory Specialist
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, Colorado 80202
Office Tel: 303-350-5114
Fax Tel: 303-573-0461
aarlian@enduringresources.com

Carroll Estes
Utah Production Superintendent
Enduring Resources, LLC
759 East 500 South
Vernal, UT 84078
Office Tel: 435-781-0172
Fax Tel: 435-781 0174
cestest@enduringresources.com

ENDURING RESOURCES

BONNAZA 9-24-14-3
Section 3, T9S, R24E, S.L.B.&M.



SURVEYED BY: D.P. DATE DRAWN: 3-21-05
DRAWN BY: F.T.M. SCALE: 1" = 60'

NOTES:

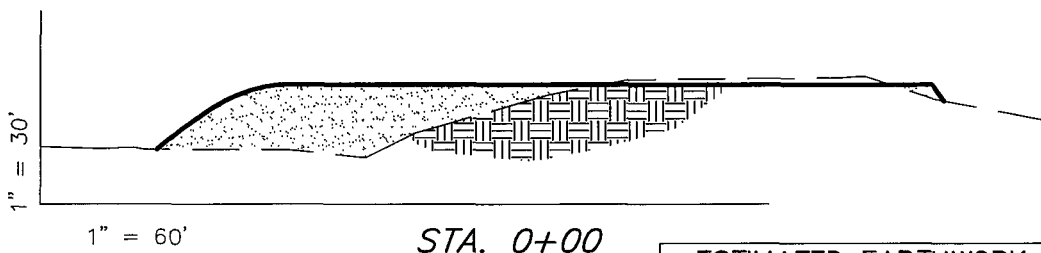
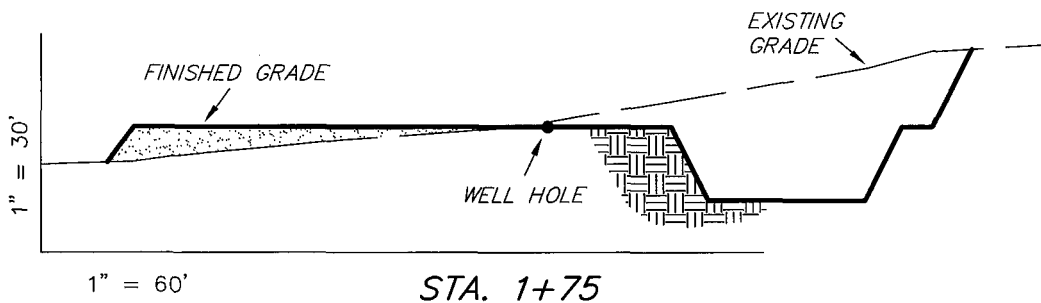
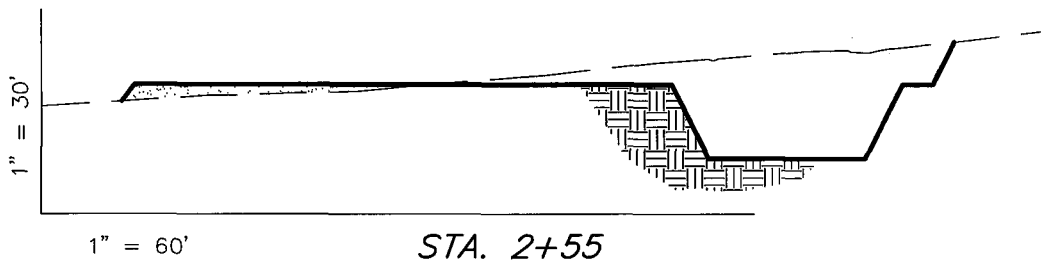
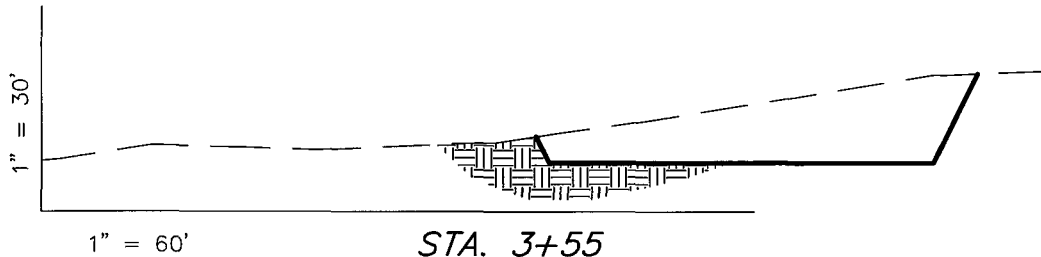
Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
(435) 781-2501

SHEET
2
OF 8

ENDURING RESOURCES

CROSS SECTIONS

BONNAZA 9-24-14-3



NOTE:
UNLESS OTHERWISE NOTED
CUT SLOPES ARE AT 1:1
FILL SLOPES ARE AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES (No Shrink or swell adjustments have been used) (Expressed in Cubic Yards)				
ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	7,510	6,380	Topsoil is not included in Pad Cut	1,130
PIT	5,390	0		5,390
TOTALS	12,900	6,380	1,800	6,520

SURVEYED BY: D.P.	DATE DRAWN: 3-21-05
DRAWN BY: F.T.M.	SCALE: 1" = 60'
NOTES:	

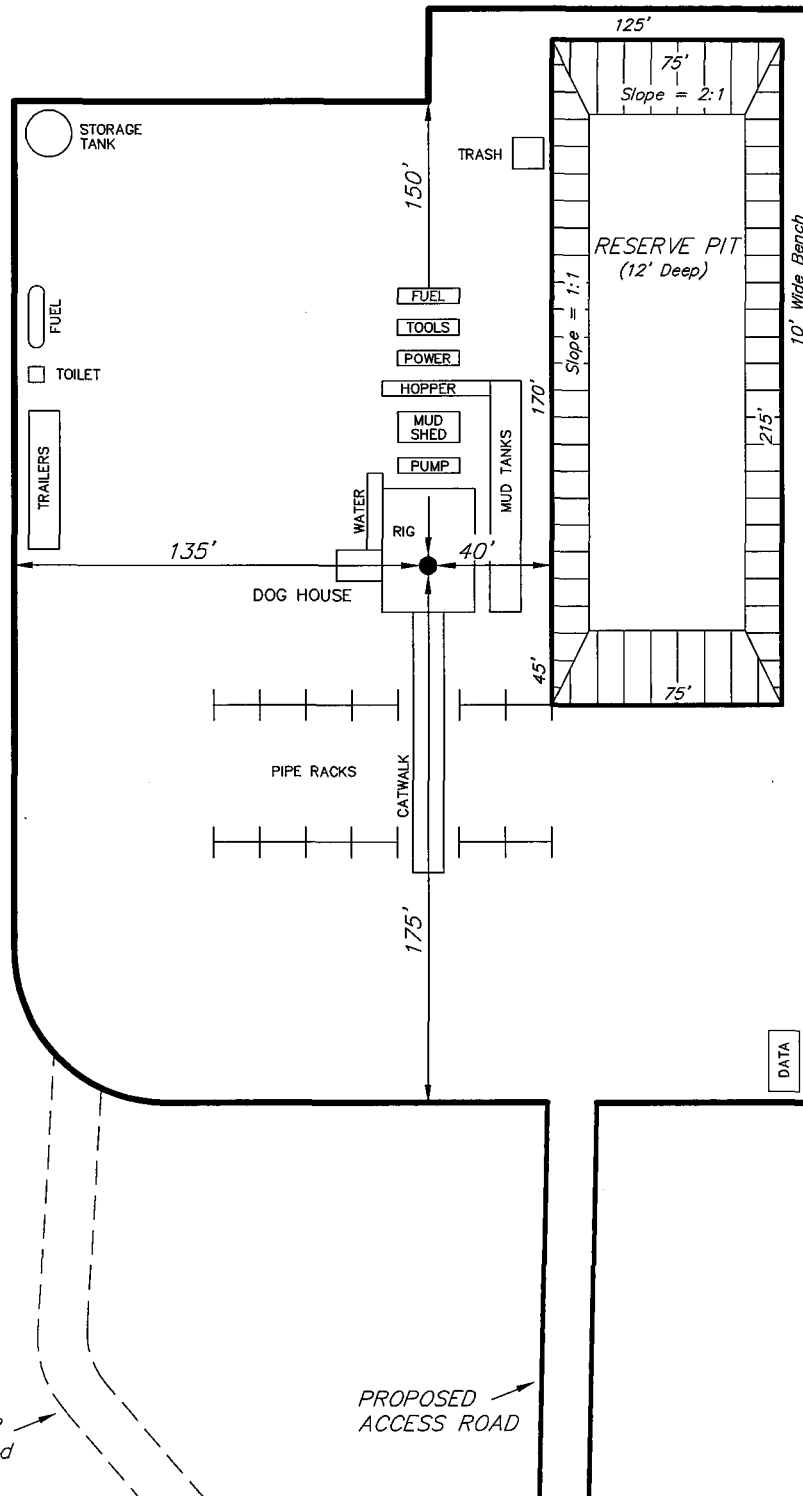
Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
(435) 781-2501

SHEET
3
OF 8

ENDURING RESOURCES

TYPICAL RIG LAYOUT

BONNAZA 9-24-14-3



Note:
Flare pit is to be located at least 100' from well head.



FLARE PIT

SURVEYED BY: D.P. DATE DRAWN: 3-21-05
DRAWN BY: F.T.M. SCALE: 1" = 60'
NOTES:

Tri State
Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078 (435) 781-2501

SHEET
4
OF 8

Directions to the Bonanza 9-24-14-3 Well Pad

Beginning at the city of Bonanza, Utah. Leave the city of Bonanza heading northwest on State Highway 45 for a distance of approximately 2.6 miles where there is a turn-off to the left onto an existing road. Turn left and proceed westerly along said existing road for an approximate distance of 0.9 miles. Turn right and proceed northerly for a distance of approximately 1,225' (about 0.2 miles) along the proposed access to the proposed Bonanza 9-24-14-3 well pad.



SOUTH



ENDURING
-Resources-

Bonanza 9-24-14-3

Date Photographed: 03/31/2005

Date Drawn: 04/01/2005

Drawn By: bgm

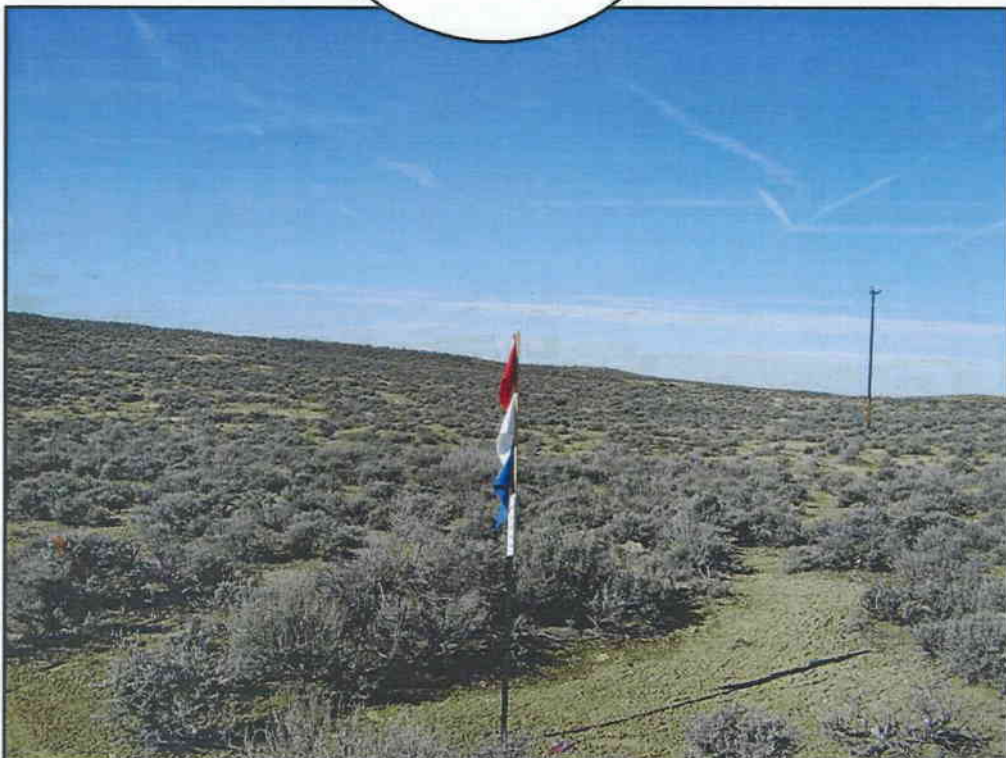


Tri-State
Land Surveying Inc.

(435) 781-2501

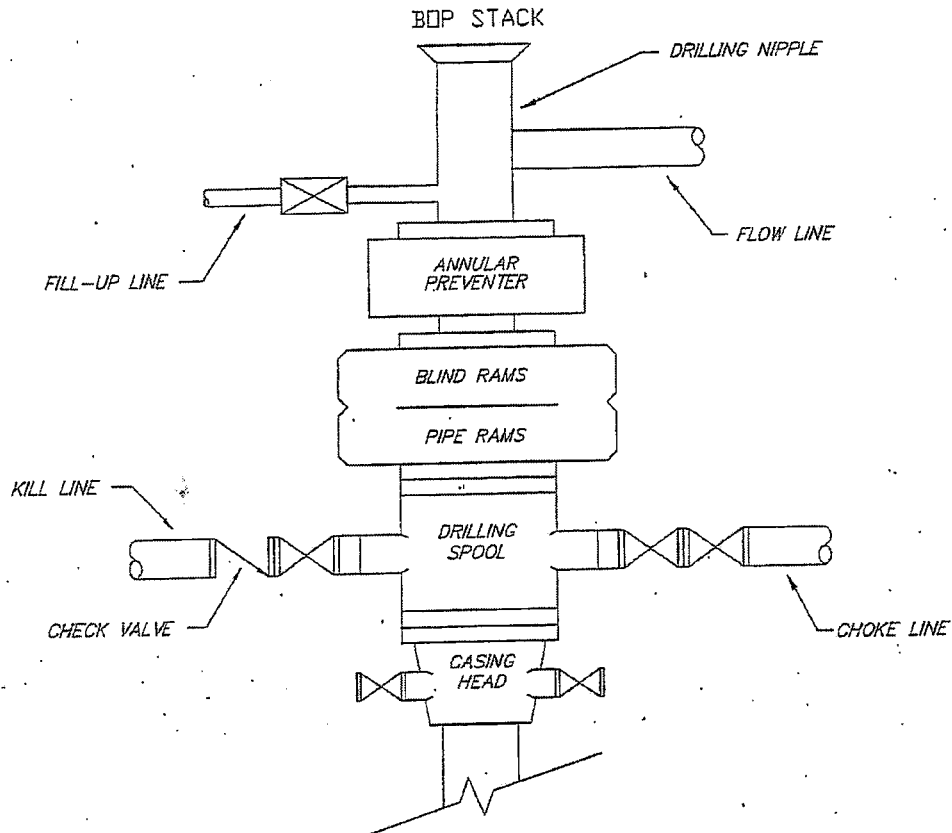
180 North Vernal Ave. Vernal, Utah 84078

WEST

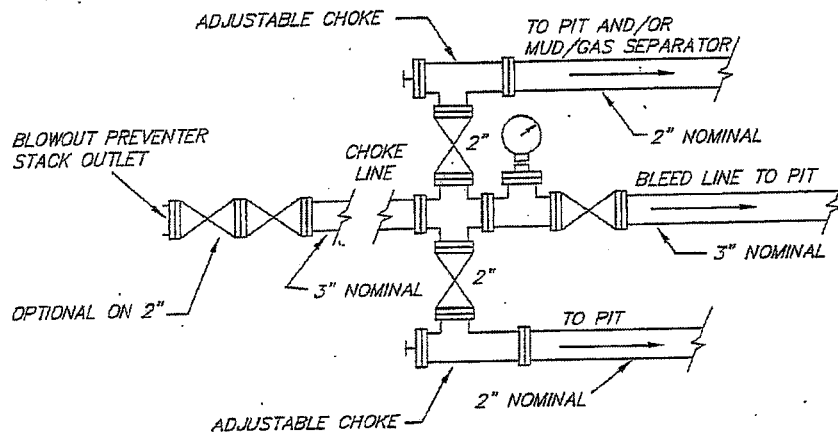


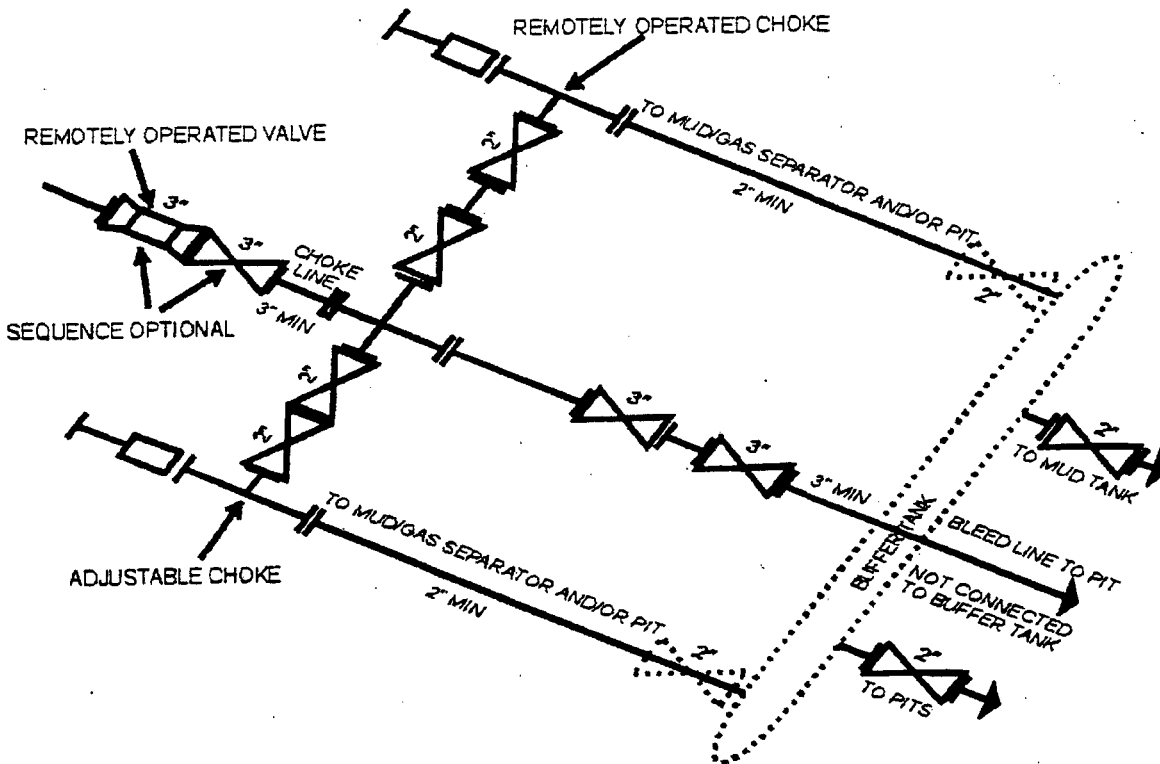
ENDURING RESOURCES, LLC

TYPICAL 5,000 p.s.i.
BLOWOUT PREVENTER SCHEMATIC



TYPICAL 5,000 p.s.i.
CHOKE MANIFOLD SCHEMATIC

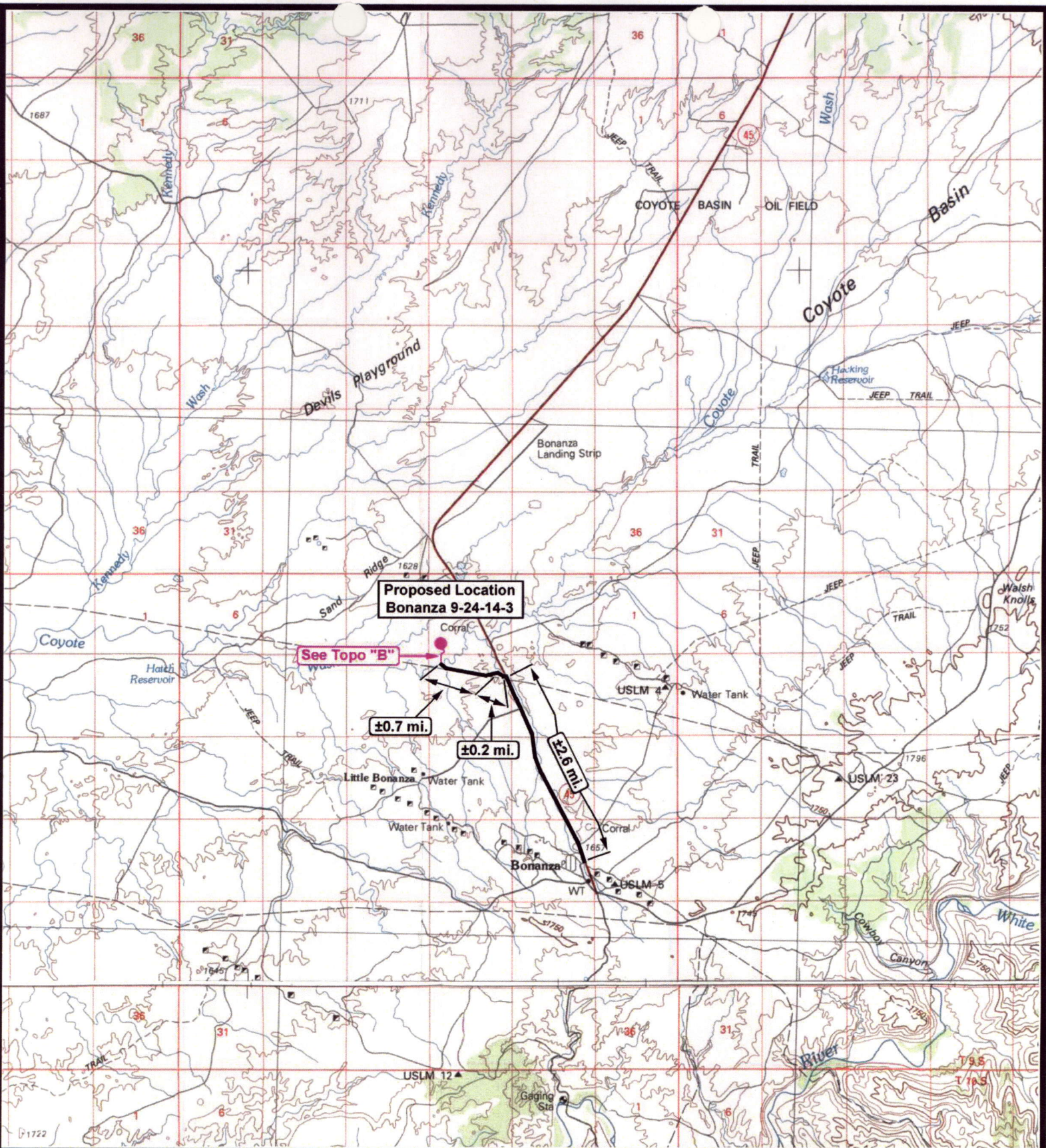




5M CHOKE MANIFOLD EQUIPMENT - CONFIGURATION OF CHOKES MAY VARY

Although not required for any of the choke manifold systems, buffer tanks are sometimes installed downstream of the choke assemblies for the purpose of manifolding the bleed lines together. When buffer tanks are employed, valves shall be installed upstream to isolate a failure or malfunction without interrupting flow control. Though not shown on 2M, 3M, 10M, OR 15M drawings, it would also be applicable to those situations.

[54 FR 39528, Sept. 27, 1989]



ENDURING
-Resources-

Bonanza 9-24-14-3
SEC 3, T9S, R24E, S.L.B.&M.



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: bgm
DATE: 04-11-2005

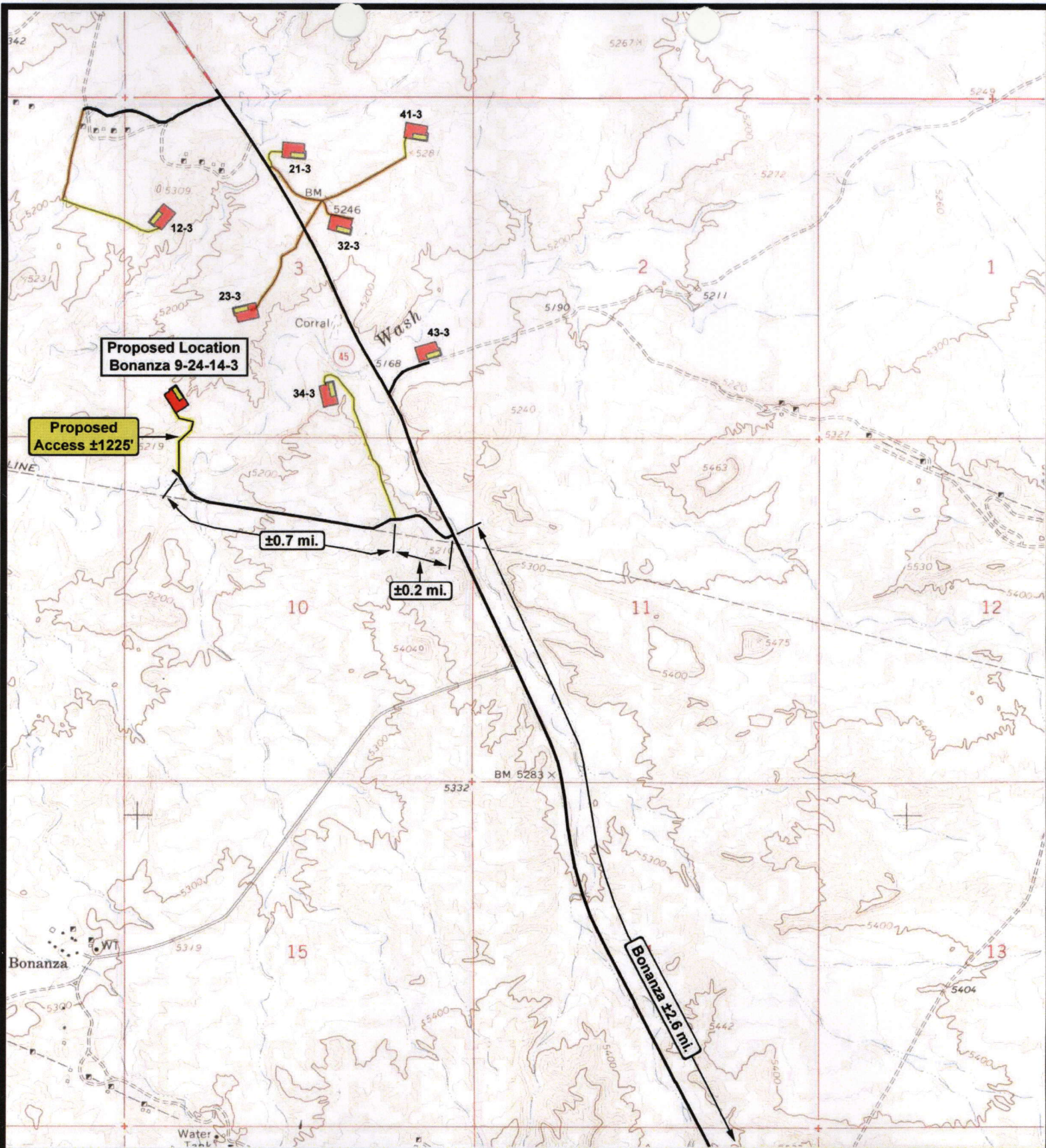
Legend

Existing Road
 Proposed Access

TOPOGRAPHIC MAP

"A"

SHEET
5
OF 8



ENDURING
-Resources-

Bonanza 9-24-14-3
SEC 3, T9S, R24E, S.L.B.&M.



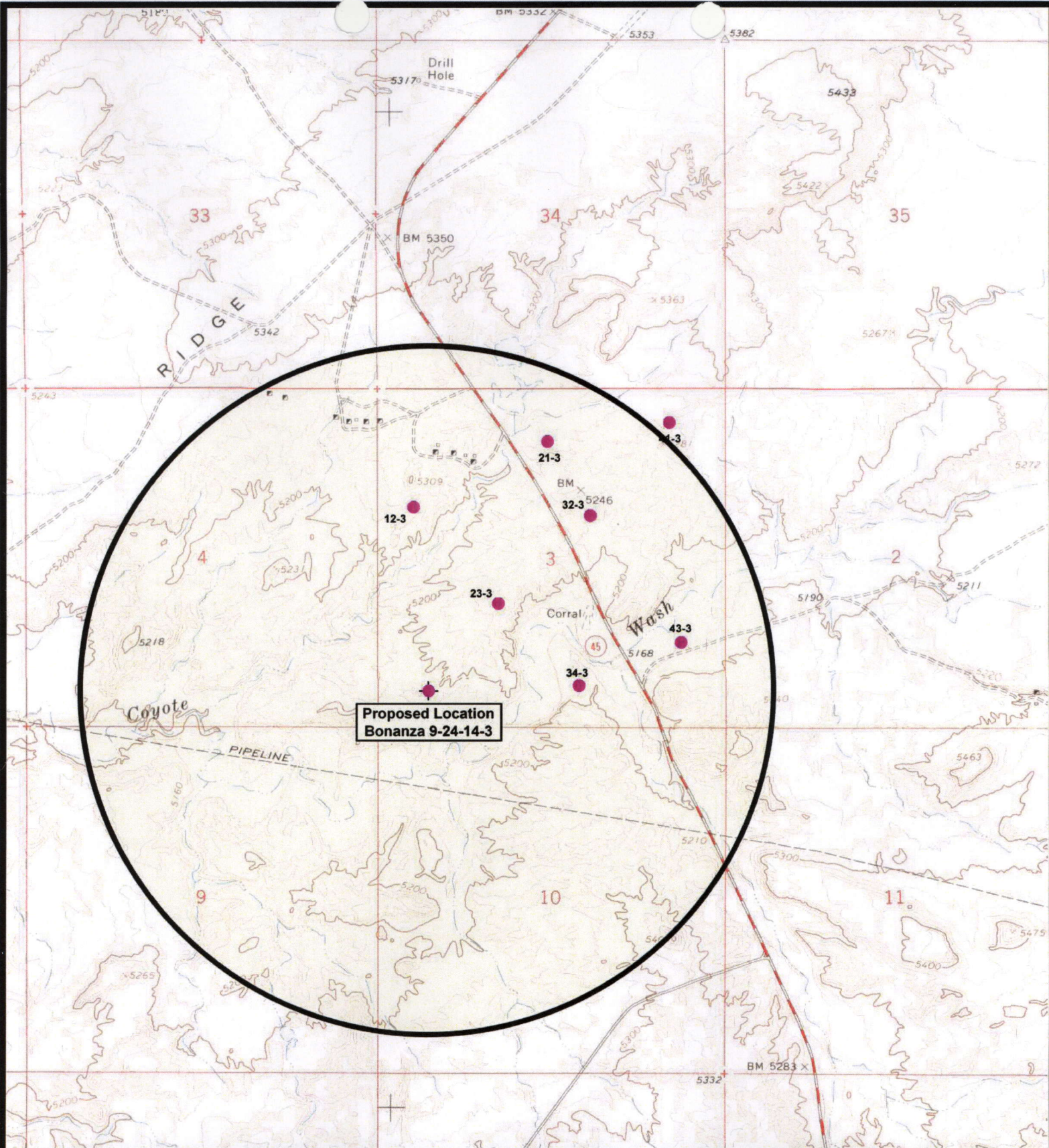
Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: bgm
DATE: 04-07-2005

Legend

- Existing Road
- Two-Track to Upgrade
- Proposed Access

TOPOGRAPHIC MAP **SHEET**
"B" **6**
OF 8



ENDURING
-Resources-

Bonanza 9-24-14-3
SEC 3, T9S, R24E, S.L.B.&M.



Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: 1" = 2,000'
DRAWN BY: bgm
DATE: 04-11-2005

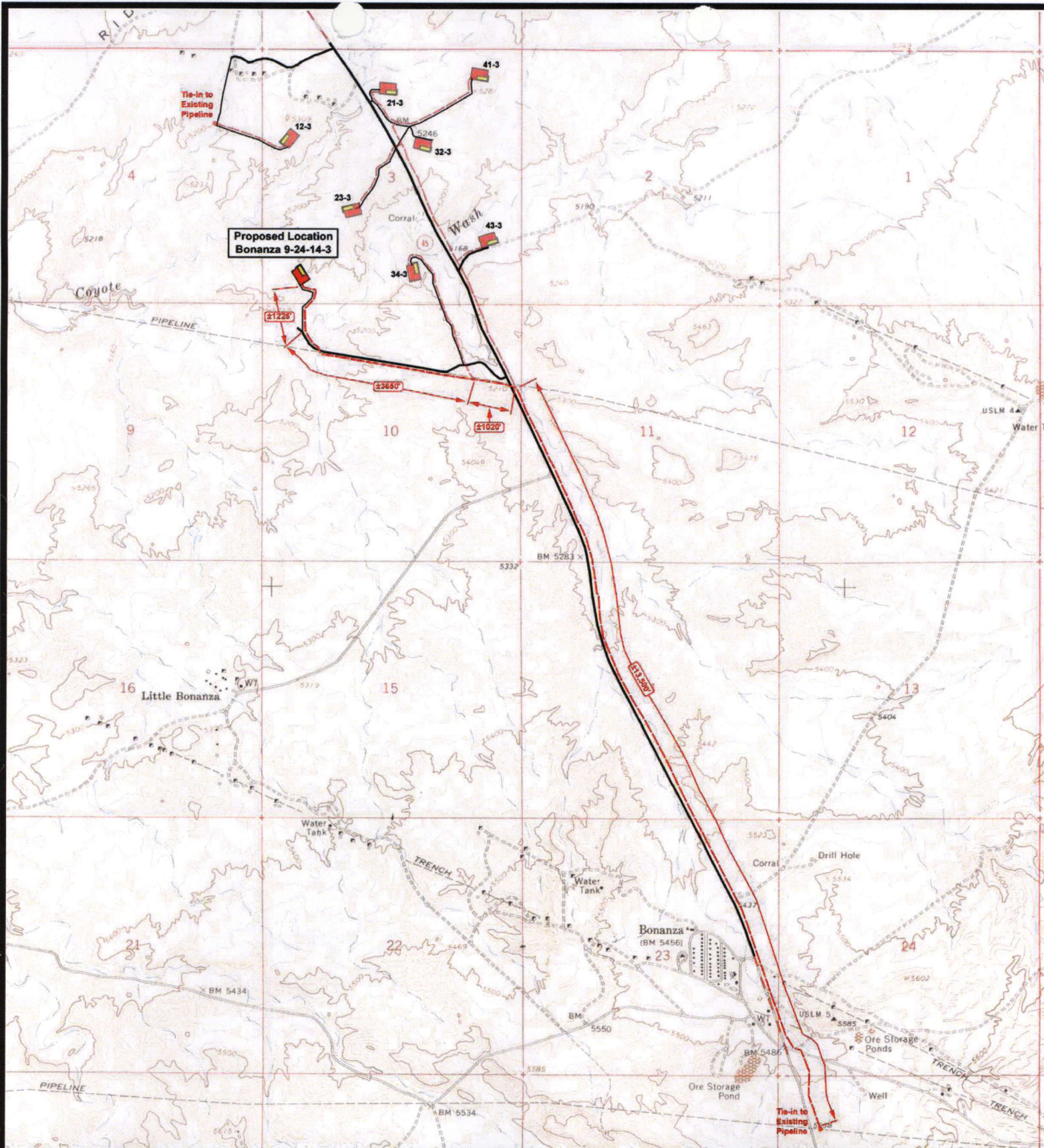
Legend

- Location
- One-Mile Radius

TOPOGRAPHIC MAP

"C"

SHEET
7
OF 8



ENDURING
-Resources-



Bonanza 9-24-14-3
SEC 3, T9S, R24E, S.L.B.&M.

Tri-State
Land Surveying Inc.
(435) 781-2501
180 North Vernal Ave. Vernal, Utah 84078

SCALE: NO SCALE
DRAWN BY: bgm
DATE: 04-07-2005

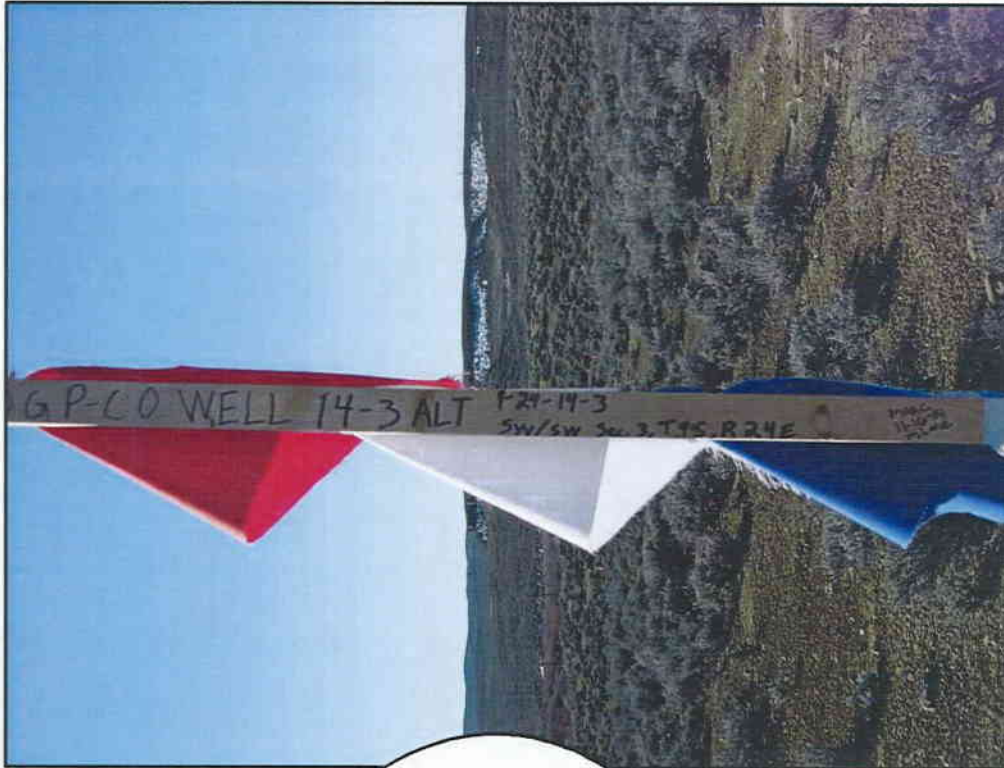
Legend

Roads
 Existing Gas Line
 Proposed Gas Line

TOPOGRAPHIC MAP

"D"

SHEET
8
OF 8



CENTER STAKE



ENDURING
-Resources-

Bonanza 9-24-14-3

Date Photographed: 03/31/2005

Date Drawn: 04/01/2005

Drawn By: bgm



Tri-State
Land Surveying Inc.

(435) 781-2501

180 North Vernal Ave. Vernal, Utah 84078



NORTH



ENDURING
-Resources-

Bonanza 9-24-14-3

Date Photographed: 04/01/2005

Date Drawn: 04/01/2005

Drawn By: bgm



Tri-State
Land Surveying Inc.

(435) 781-2501

180 North Vernal Ave. Vernal, Utah 84078

EAST



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/13/2008

API NO. ASSIGNED: 43-047-40076

WELL NAME: BONANZA 9-24-14-3

OPERATOR: ENDURING RESOURCES, LLC (N2750)

CONTACT: AL ARLIAN

PHONE NUMBER: 303-350-5114

PROPOSED LOCATION:

SWSW 03 090S 240E

SURFACE: 0580 FSL 0790 FWL

BOTTOM: 0580 FSL 0790 FWL

COUNTY: UINTAH

LATITUDE: 40.05916 LONGITUDE: -109.2062

UTM SURF EASTINGS: 652997 NORTHINGS: 4435655

FIELD NAME: DEVILS PLAYGROUND (575)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-81748

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MRSN

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. UTB000173)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-222)
☒ RDCC Review (Y/N)
(Date: _____)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.

Unit: _____

☒ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

 R649-3-3. Exception

 Drilling Unit

Board Cause No: _____

Eff Date: _____

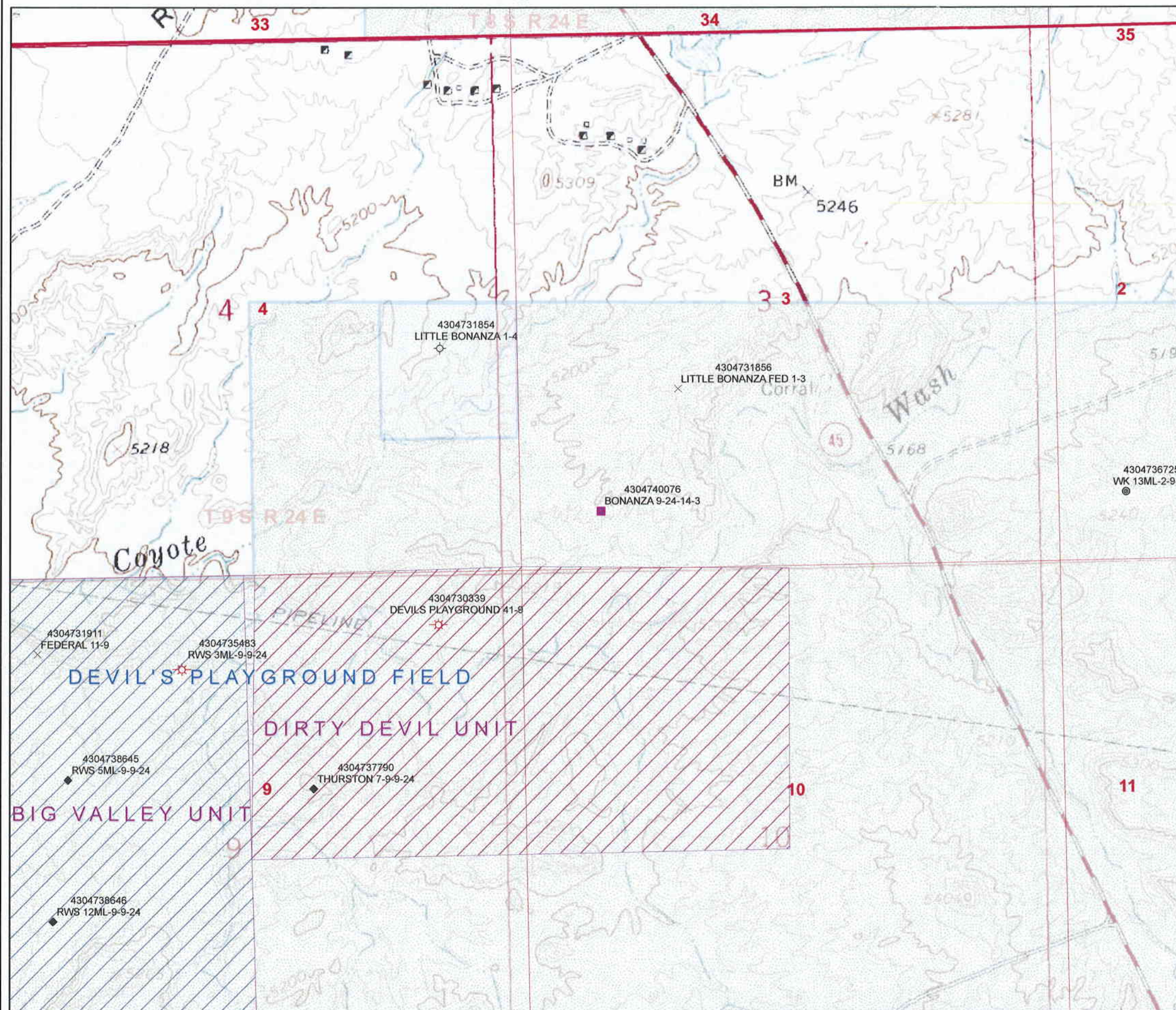
Siting: _____

 R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

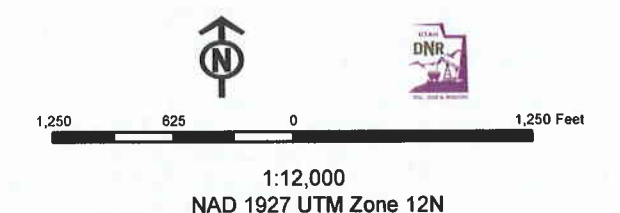
1- Federal Agreement
2- Spacing Strip



API Number: 4304740076
Well Name: BONANZA 9-24-14-3
Township 09.0 S Range 24.0 E Section 03
Meridian: SLBM
Operator: ENDURING RESOURCES, LLC

Map Prepared: 5/20/2008
Map Produced by Diana Mason

- | Units | Wells Query |
|--------------|------------------------|
| STATUS | ✕ <all other values> |
| ACTIVE | |
| EXPLORATORY | GIS_STAT_TYPE |
| GAS STORAGE | ◆ <Null> |
| NF PP OIL | ◆ APD |
| NF SECONDARY | ◆ DRL |
| PI OIL | ◆ GI |
| PP GAS | ◆ GS |
| PP GEOTHERML | ✕ LA |
| PP OIL | ✕ NEW |
| SECONDARY | ✕ OPS |
| TERMINATED | ✕ PA |
| Fields | ✕ PGW |
| STATUS | ● POW |
| Unknown | ● RET |
| ABANDONED | ✕ SGW |
| ACTIVE | ● SOW |
| COMBINED | ✕ TA |
| INACTIVE | ○ TW |
| STORAGE | ✕ WD |
| TERMINATED | ✕ WI |
| Sections | ● WS |
| Township | ⊕ Bottom Hole Location |





JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 22, 2008

Enduring Resources, LLC
475 17th St., Ste. 1500
Denver, CO 80202

Re: Bonanza 9-24-14-3 Well, 580' FSL, 790' FWL, SW SW, Sec. 3, T. 9 South, R. 24 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40076.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office



Operator: Enduring Resources, LLC

Well Name & Number Bonanza 9-24-14-3

API Number: 43-047-40076

Lease: UTU-81748

Location: SW SW Sec. 3 T. 9 South R. 24 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

CONFIDENTIAL

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-81748
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: 580' FSL - 790' FWL		8. WELL NAME and NUMBER: Bonanza 9-24-14-3
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 3 9S 24E S		9. API NUMBER: 4304740076
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Undesignated
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: <u>7/8/2008</u>	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>Changed drilling plan per BLM request</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Changed drilling plan per BLM request.
See attached.

COPY SENT TO OPERATOR

Date: 7-16-2008

Initials: KS

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE	DATE <u>7/8/2008</u>

(This space for State use only)

Accepted by the
Utah Division of
Oil, Gas and Mining

Date: 7/15/08
By: [Signature]
(See Instructions on Reverse Side)

Federal Approval Of This
Action Is Necessary

RECEIVED

JUL 10 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Enduring Resources, LLC

3a. Address
475 17th Street, Suite 1500, Denver, CO 80202

3b. Phone No. (include area code)
303-350-5114

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

580' FSL - 790' FWL SWSW Sec 3, T9S-R24E SLB&M

5. Lease Serial No.

UTU-81748

6. If Indian, Allottee or Tribe Name

n/a

7. If Unit or CA/Agreement, Name and/or No.

n/a

8. Well Name and No.

Bonanza 9-24-14-3

9. API Well No.

43-047-40076

10. Field and Pool, or Exploratory Area

Undesignated

11. County or Parish, State

Uintah, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Change to pending
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	APD per NOC
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

- (3) copies of Revised Drilling Plan as requested in attached Notice of Completeness or Deficiencies For an APD, and
- (3) copies of 10,000#'s BOPE.

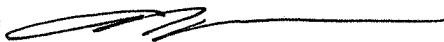
COPY

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Alvin R. (Al) Arlian

Title **Landman - Regulatory Specialist**

Signature



Date

07/07/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

JUL 10 2008

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
<http://www.blm.gov/utah/vernal>



IN REPLY REFER TO:
3160
UT-08300

May 30, 2008

Alex Campbell
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202

REC'D JUN 02 2008

This letter provides written notification that the submitted Application for Permit to Drill (APD) is complete or contains deficiencies that need to be corrected. Any retained APD which is deficient must be brought to an acceptable level of completion within 45 days of the date of this notice or the APD will be returned unapproved.

NOTICE OF COMPLETENESS OR DEFICIENCIES FOR AN APD

Lease No.: UTU-81748 Well No.: Bonanza 9-24-14-3 APD Received Date: 05/12/08

☐ I. APD IS COMPLETE AS SUBMITTED. Refer to second page for additional information.

☒ II. APD IS DEFICIENT IN THE FOLLOWING AREA(S) [as marked]:

- ☐ A. Designation of Operator.
- ☐ B. Designation of Agent under _____ Unit Agreement.
- ☐ C. Bonding.
- ☐ D. Form 3160-3 is Incomplete.
- ☒ E. In conformance with CFR Onshore Order #1: Drilling Plan is Complete. **OR,**
Drilling Plan is Deficient in the Following Area(s)
 - ☐ 1. Names and estimated tops of all geologic groups.
 - ☐ 2. Estimated depths at which the top and the bottom of anticipated water, oil, gas or other miner-bearing formations are expected to be encountered and the lessee's or operator's plans for protecting such resources.
 - ☒ 3. Blowout prevention equipment. **Minimum specifications for pressures control, BOPE size and procedures.**
 - ☐ 4. Proposed Casing Program including size, grade, weight, type of thread and coupling.
 - ☐ 5. Estimated amount and type(s) of cement expected to be used.
 - ☒ 6. Type and Characteristics of the proposed circulation mediums for each wellbore section.
 - 1. Air/gas drilling. Length of blooie line, compressor equipment location, mud/kill medium. **Need air drilling operations plan**
 - ☐ 7. Testing, logging, and coring procedures proposed.
 - ☒ 8. Expected bottom hole pressure. Any abnormal conditions. **Send information to support or revise BHP.**
 - ☐ 9. Other facets of the proposed operation.

- a. For directional wells, proposed directional design, plan view, and vertical section in true vertical and measured depths.

- ☐ F. Surface Use and Operations Plan is Complete. OR,
☐ Surface Use and Operations Plan is Deficient in the Following Area(s)
- ☐ 1. Existing Roads.
 - ☐ 2. Planned Access Road.
 - ☐ 3. Location of Existing Wells.
 - ☐ 4. Location of Existing and/or Proposed Facilities.
 - ☐ 5. Location and Type of Water Supply.
 - ☐ 6. Source of Construction Materials.
 - ☐ 7. Methods for Handling Waste Disposal.
 - ☐ 8. Ancillary Facilities.
 - ☐ 9. Well Site Layout.
 - ☐ 10. Plans for Restoration of Surface.
 - ☐ 11. Surface Ownership
 - ☐ 12. Other Additional Information.

☐ G. Operator Certification.

☐ H. Onsite Inspection.

☐ I. Other:

- ☐ 1. _____
- ☐ 2. _____

☒ III. Other Information Needed:

- ☒ 1. **Need 10M BOPE write up in drilling plan and 10M BOPE and 10M choke schematic. Contact Jim Ashley, Petroleum Engineer 435-781-4470, for any assistance.**

☐ IV. APD is retained. Processing will start upon receipt of further information as noted above.

☒ VI. APD is being processed. Final action is pending receipt of further information as noted above.

☐ VII. APD is being returned for the following reasons:

Please send a copy of this letter along with the corrected information to my attention.

If you have any questions regarding the processing of this APD, please contact me at (435) 781-4503.

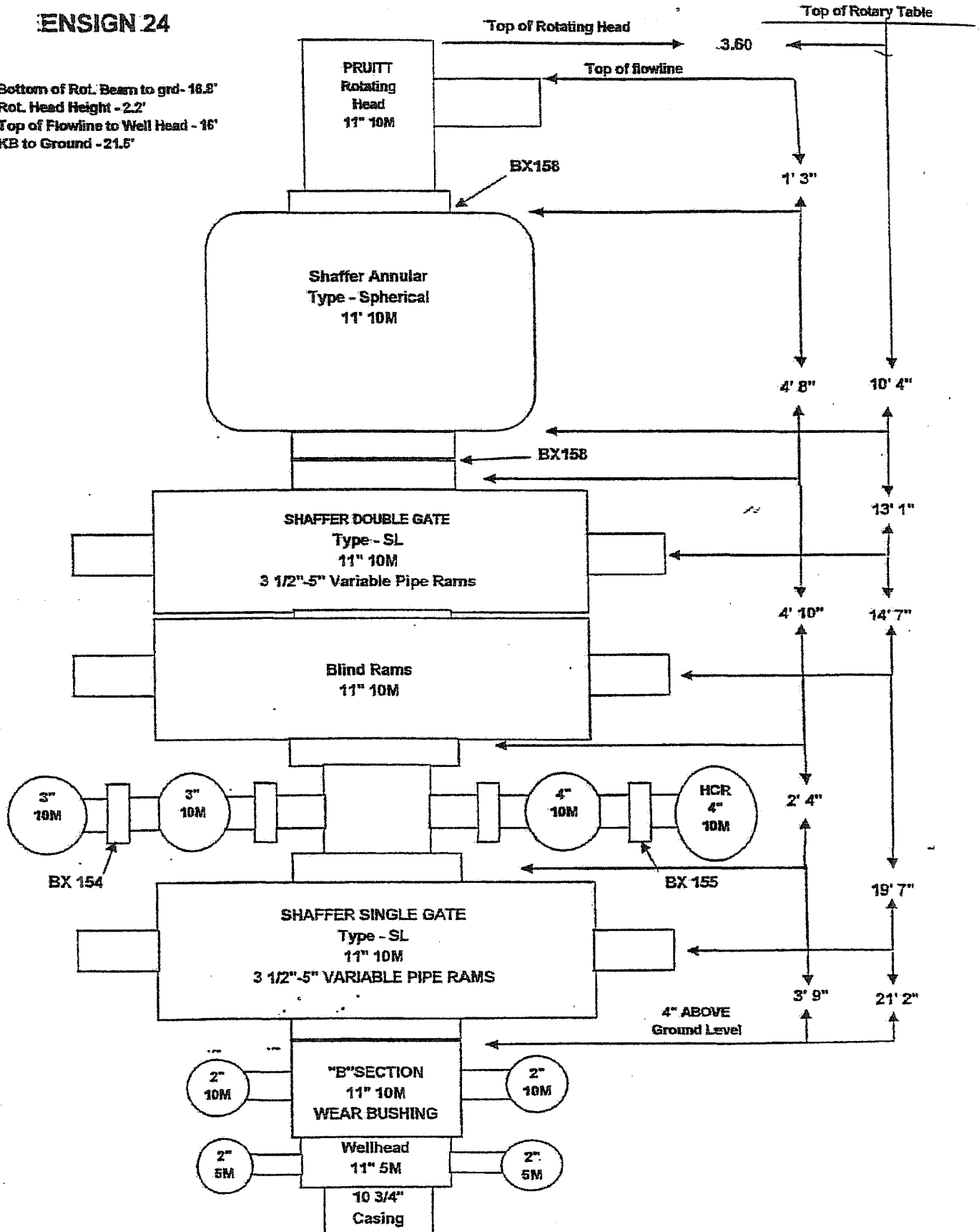
Sincerely,



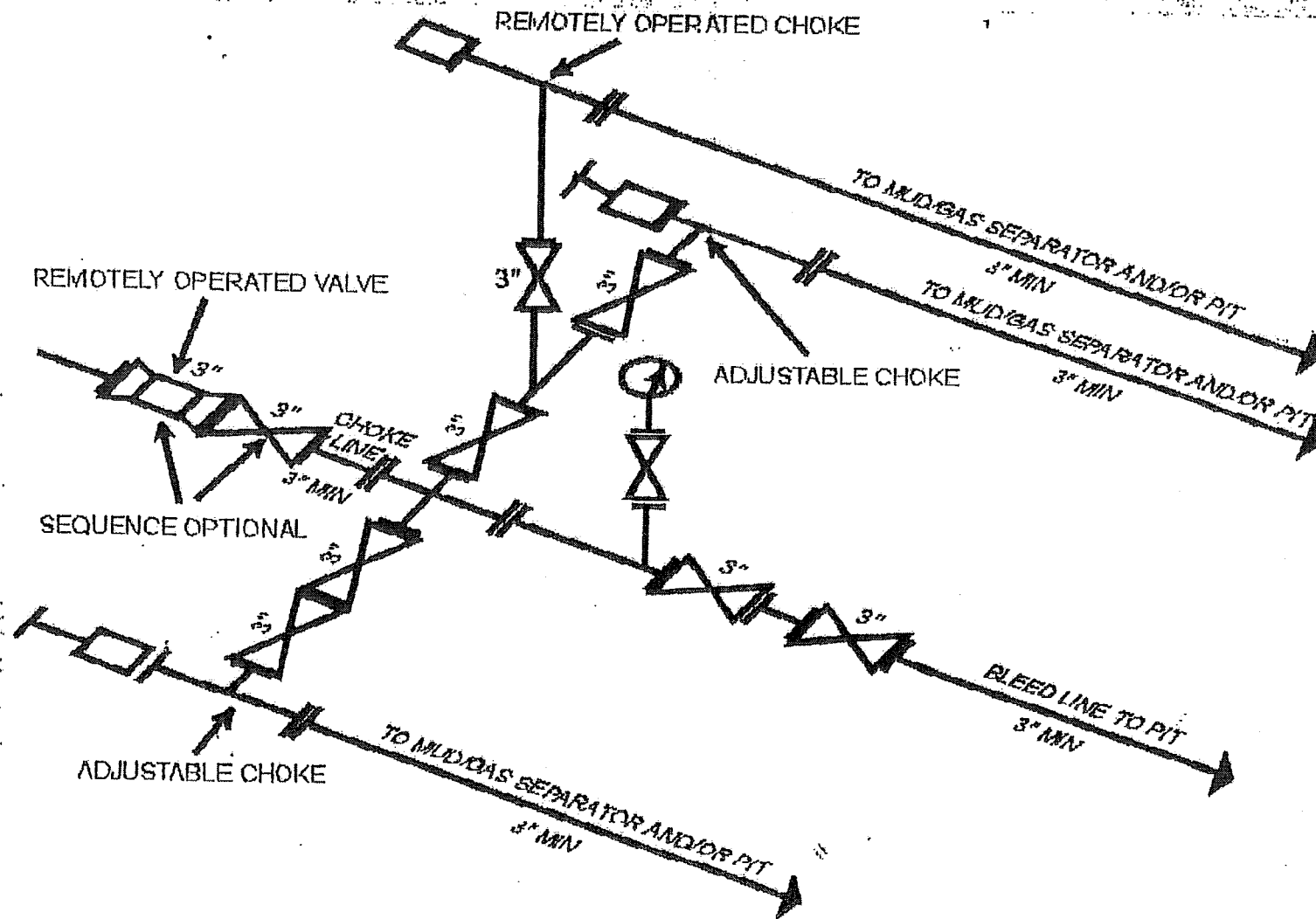
Sandra Sather
Legal Instruments Examiner

ENSIGN 24

Bottom of Rot. Beam to grd- 18.8'
 Rot. Head Height - 2.2'
 Top of Flowline to Well Head - 16'
 KB to Ground - 21.5'



Attachment I. Diagrams of Choke Manifold Equipment



I-4, 10M and 15M Choke Manifold Equipment -- Configuration of chokes may vary

[54 FR 39328, Sept. 27, 1989]

Last Updated March 25, 1997 by John Broderick

**Enduring Resources, LLC
Bonanza 9-24-14-3
SWSW 3-9S-24E
Uintah County, Utah
Federal Lease: UTU-71248**

ONSHORE ORDER 1 - DRILLING PLAN

1. Estimated Tops of Geological Markers:

Formation	Depth (K.B.)
Uinta	Surface
Green River	584
Wasatch	3884
Mesaverde	5081
Mancos	8720
Morrison	12141

2. Estimated Depths of Anticipated Water, Oil, Gas or Other Minerals:

Substance	Formation	Depth (K.B.)
	GR 5182'	
	KB-Uinta Elevation: 5212'	
Oil / Gas	Green River	584
Oil /Gas	Wasatch	3884
Oil /Gas	Mesaverde	5081
Oil /Gas	Mancos	8720
Oil /Gas	Morrison	12141
	Estimated TD	12870

A 12 1/4" surface hole will be drilled with air, air/mist, foam or mud depending on hole conditions to approximately 2016 feet. The depth will be determined by the depth that the Birds Nest zone is encountered. The hole will be drilled 400 feet beyond the top of the Birds Nest zone and surface casing will be set and cemented to surface. Surface casing will be pre-set before drilling rig is moved on location. ProPetro Sevices Incorporated will drill the surface hole. A 300 or 400 bbl tank of fresh water will be on location prior to commencement of operations to use as a kill fluid. The anchored blooie line shall be at least 6" in diameter and extend straight from the wellhead to the reserve/blooie pit. ProPetro's equipment includes a 1250 CFM compressor on the drilling rig along with a 1070 to 1170 CFM stand along compressor. ProPetro's equipment shall be setup on the front side of the location with the rig between the driller and the reserve/blooie pit. The stand alone compressor will be adjacent to the rig on the same side as the driller. ProPetro's equipment includes spark arrestors on

engines, a diverter head, a mister close to the end of the bhoie line for dust suppression, a continuously lit pilot light, a fluid pump to circulate kill fluids as necessary, a diverter on the end of the bhoie line, a float valve in the drill string and kill switches.

3. Pressure Control Equipment: (10,000 psi schematic attached)

- A. Type: Eleven (11) inch Single Ram BOP, Eleven (11) inch double gate hydraulic BOP with eleven (11) inch annular preventer on 5,000 psi casinghead, with **10,000** psi choke manifold equipped per the attached diagram. BOPE as specified in *Onshore Oil & Gas Order Number 2*. A PVT, stroke counter and flow sensor will be installed to check for flow and monitor pit volume. A 10K BOPE stack will be used for the entirety of the well to reduce time required to change out equipment after each casing string.
- B. Pressure Rating: 10,000 psi BOP and 5000 psi Annular Preventer
- C. Kelly will be equipped with upper and lower Kelly valves.
- D. Testing Procedure: Annular Preventer

At a minimum, the annular preventer will be pressure tested to 50% of the Annular Preventer rated working pressure for a period of three (3) minutes or until provisions of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

- 1. When the annular preventer is initially installed;
- 2. Whenever any seal subject to test pressure is broken;
- 3. Following installation up on intermediate casing string
- 4. Following related repairs; and
- 5. At thirty (30) day intervals.

In addition to the above, the annular preventer will be functionally operated at least weekly.

Blow-Out Preventer

At a minimum, the BOP, choke manifold, and related equipment will be pressure tested to 5000 psi when installed on 5000 psi Surface Casing Wellhead, and to the approved working pressure of the BOP stack after running Intermediate Casing and installing 10,000 psi "B" Section Wellhead. Pressure will be maintained for a period of at least three (3) minutes or until the requirements of the test are met, whichever is longer.

At a minimum, the above pressure test will be performed:

1. When the BOP is initially installed;
2. Whenever any seal subject to test pressure is broken;
3. Following installation on intermediate casing string
4. Following related repairs; and
5. At thirty (30) day intervals.

In addition to the above, the pipe and blind rams will be activated each trip, but not more than once each day. All BOP drills and tests will be recorded in the IADC driller's log.

E. Miscellaneous Information:

The blowout preventer and related pressure control equipment will be installed, tested and maintained in compliance with the specifications in and requirements of *Onshore Oil & Gas Order Number 2*.

4. **Proposed Casing & Cementing Program:**

A. Casing Program: All New

Hole Size	Casing Size	Wt./Ft.	Grade	Joint	Depth Set (MD)
20"	14" O.D.				40' (GL)
12 1/4"	9-5/8"	36#	J-55	ST&C	0 – 2,016' (KB) est.
8 1/2"	7"	26#	P-110	LT&C	0 – 9000' (KB)
6-1/8"	4-1/2"	13.5#	P-110	LT&C	0 – 12870' (KB)

The surface casing will have guide shoe. Centralize the shoe joint with bowspring centralizers in the middle and top of the joint and the next 16 joints with bowspring centralizers on every other collar (8 centralizers total). Thread lock guide shoe. Surface casing will be pre-set before drilling rig is moved on location.

Casing string(s) will be pressure tested to 0.22 psi/foot of casing string length or 1500 psi, whichever is greater (not to exceed 70% of the internal yield strength of the casing), after cementing and prior to drilling out from under the casing shoe.

B. Casing Design Parameters:

Depth (MD)	Casing	Collapse(psi)/SF	Burst (psi)/SF	Tension(mlbs)/SF
40' (GL)	14" OD			
2016' (KB)	9-5/8", 36#/ft, J55, STC	2020/2.24(a)	3520/3.91 (b)	394/5.43(c)
9000' (KB)	7", 26#/ft, P-110, LTC	6210/1.18(d)	9960/1.90 (e)	693/2.96(c)
12870 (KB)	4-1/2", 13.5#/ft, P-110, LTC	10670/1.28(f)	12410/1.48 (g)	174/1.95(c)

- (a.) based on full evacuation of pipe with 8.6 ppg fluid on annulus
- (b.) based on 8.6 ppg gradient with no fluid on annulus

- (c.) based on casing string weight in air
- (d.) based on full evacuation of pipe with 11.2 ppg fluid on annulus
- (e.) based on 11.2 ppg gradient, gas to surface, with no fluid on annulus,
- (f.) based on full evaluation of pipe with 12.5 ppg fluid on annulus
- (g.) based on 12.5 ppg gradient with no fluid on annulus

PROPOSED CEMENTING PROGRAM

Surface Casing (if well will circulate)-Cemented to surface

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
9-5/8"	Lead	1516	Premium cement + 16% gel + 0.25 pps celloflake	250	100	11.0	3.80
9-5/8"	Tail	500	Premium cement + 2% CaCl ₂ + 0.25 pps celloflake	272	100	15.8	1.15

A cement top job is required if cement fallback is greater than 10' below ground level. Top job (weight 15.8 ppg, yield 1.15 ft³/sx) cement will be premium cement w/ 3% CaCl₂.+0.25 pps celloflake. Volume as required

Intermediate Casing - Cemented TD to 300' above base of surface casing

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
7"	Lead	6784	Elastiseal™ System foamed cement w/ 1.5% foamer	723	50	12.0	1.75
7"	Tail	500	Elastiseal™ System unfoamed cement	76	50	14.3	1.47

Production Casing and Liner - Cemented TD to 300' above top of Wasatch formation.

CASING	SLURRY	FT. of FILL	CEMENT TYPE	SXS	EXCESS (%)	WEIGHT (ppg)	YIELD (ft ³ /sx)
4 1/2"	All	4170	Premium cement, 35% silica flour + 1.1% fluid loss + .85% retarder + .5% expanding additive + .4% suspension agent	594	20	15.1	1.695

Cement volumes are approximate and were calculated under the assumption that a gauge hole will be achieved. Actual cement volumes may vary due to variations in the actual hole size and will be determined by running a caliper log on the

drilled hole. Actual cement types may vary due to hole conditions and cement contractor used.

All waiting on cement (WOC) times will be adequate to achieve a minimum of 500 psi compressive strength at the casing shoe prior to drilling out.

5. Drilling Fluids (mud) Program:

Interval (MD)	Mud Weight	Fluid Loss	Viscosity	Mud Type
0' – 2016' (KB)		No cntrl		Air/mist
2000'-3000' (KB)	8.4-8.6	No cntrl	28-36	Water
3000'-9000' (KB)	9.2-11.2	8 - 10 ml	32-42	LSND
9000-12870	9.2-12.5	8-10 ml	40-60	LSND

Sufficient mud material(s) to maintain mud properties, control lost circulation and contain a blowout will be available at the well site during drilling operations.

6. Evaluation Program:

Tests: No tests are currently planned.

Coring: No cores are currently planned.

Samples: No sampling is currently planned.

- Logging Dual Induction–SFL/Gamma Ray/Caliper/SP/TDLT/CNL/ML TD to Base Surface Casing – same for both intermediate casing point and TD. A Sonic log will be added to the run at TD.
- Cement Bond Log / Gamma Ray:
TD to Base of Surface Casing or Top of Cement if below Base of Surface Casing

Stimulation: A stimulation or frac treatment will be designed for completion of this well based on openhole log analysis. The drill site, as approved, will be sufficient size to accommodate all completion activities.

7. Abnormal Conditions:

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered or known to exist from previous wells drilled to similar depths in the general area.

Maximum anticipated bottom hole pressure equals approximately 8,366 psi (calculated at 0.65 psi/ft times depth).

8. **Anticipated Starting Dates:**

- Anticipated Commencement Date- Within one year of APD issue.
- Drilling Days- Approximately 45 days
- Completion Days - Approximately 20 days
- Anticipate location construction within 30 days of permit issue.

9. **Variances:**

Surface Drilling Operations

The blooie line will be a minimum of 35' which is the distance from the wellhead to the edge of the reserve/blooie pit. The contractor uses a diverter head instead of a rotating head and the contractor's two compressors shall be within 30' of the wellhead.

10. **Other:**

A Cultural Resource Inventory and Paleontology reconnaissance shall be conducted for the well location, access route and pipeline. The reports shall be submitted to the Division of Oil, Gas and Mining and the School and Institutional Trust lands Administration upon their receipt.

Inclination surveys will be run every 2000 feet to monitor hole angle.

RECEIVED

MAY 12 2008

Form 3160-3
(April 2004)

BLM

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT


APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-81748
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name N/A
2. Name of Operator Enduring Resources, LLC		7. If Unit or CA Agreement, Name and No. N/A
3a. Address 475 17th Street, Suite 1500 Denver, CO 80202		8. Lease Name and Well No. Bonanza 9-24-14-3
3b. Phone No. (include area code) 303-350-5114		9. API Well No. 43 047 40076
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SWSW 580' FSL - 790' FWL At proposed prod. zone Same as surface		10. Field and Pool, or Exploratory Undesignated
14. Distance in miles and direction from nearest town or post office* 3.7 miles Northwest of Bonanza, UT		11. Sec., T. R. M. or Blk. and Survey or Area Sec 3 T9S R24E S.L.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 580'	16. No. of acres in lease Approx. 600	17. Spacing Unit dedicated to this well 40 acres
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1000' +	19. Proposed Depth 12870	20. BLM/BIA Bond No. on file BLM - UTB000173
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5212' RT-KB	22. Approximate date work will start* 07/01/2008	23. Estimated duration 30 days

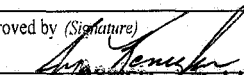
24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed Typed) Alvin R. (Al) Arlian	Date 05/20/2008
--	---	---------------------------

Title
Landman - Regulatory Specialist

Approved by (Signature) 	Name (Printed/Typed) Jenny Kevick	Date NOV 25 2008
--	---	----------------------------

Title
**Assistant Field Manager
Lands & Mineral Resources**

Office
VERNAL FIELD OFFICE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

NOTICE OF APPROVAL

RECEIVED

DEC 01 2008

DIV. OF OIL, GAS & MINING

UDOGM

NUS 06/08/07
07 PP 2176A

RECEIVED
VERNAL FIELD OFFICE
MAY 21 PM 2 45
DEPT OF THE INTERIOR
BUREAU OF LAND MGMT



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Enduring Resources LLC **Location:** SWSW, Sec. 3, T9S, R24E
Well No: Bonanza 9-24-14-3 **Lease No:** UTU-81748
API No: 43-047-40076 **Agreement:** N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
NRS/Enviro Scientist:	David Gordon	(435) 781-4424	

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

Surface COAs:

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

This well is located within the boundary of the West Bonanza Area Natural Gas Well Development Project Environmental Assessment approved 7/18/2006. Any, **additional mitigations or COAs approved in the Finding of No Significant Impact Decision Record to that document are also applicable to approval of this proposed action.**

Mitigation:

- No construction, drilling, or completion operations shall occur from May 15 to June 20 due to potential pronghorn antelope kidding. This may be waived if a qualified wildlife biologist acceptable to the authorized officer determines that the species will not be impacted.
- No construction, drilling, or completion operations shall occur from March 1 to June 15 due to sage grouse lek / nesting habitat. This may be waived if a qualified wildlife biologist acceptable to the authorized officer determines that the species will not be impacted.

Conditions of Approval:

- The proposed pipeline route as shown in the APD is not approved. Instead the pipeline will be laid on the south side of existing road UTU84758. The required ROW will be 15' wide for construction and permanent. The pipeline is to be laid to the outside of the existing 2" black, poly pipeline, UTU74527.
- The operator shall control noxious weeds along access road use authorizations, pipeline route authorizations, rights-of-way, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM weeds specialist or the appropriate County Extension Office. On BLM administered land, it is required that a Pesticide Use Proposal (PUP) be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.

- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. shall be needed to control the erosion. Low-water crossings shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines shall be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.
- The reserve pit shall be lined with **16 ml** or greater liner to prevent pit leakage and at least **one felt liner (double felt as need to prevent pit leakage)** prior to spudding.
- All open pits shall be properly fenced and maintained during operations and until the pits are backfilled. When the reserve pit contains fluids or toxic substances, the operator must ensure that animals do not ingest or become entrapped in pit fluids.
- The reserve pit shall be free of oil and other liquids and solid wastes, allowed to dry, be pumped dry, or solidified in-situ prior to backfilling. The reserve pit must not be “squeezed”, (filled with soil while still containing fluids) or cut (puncturing the pit liner while still containing fluids to allow pit fluids to drain from the pit).
- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.
- All permanent facilities, not regulated by OSHA, shall be painted the same color, **Covert Green**; within six months of installation.
- During construction the topsoil from the location shall be stripped and windrowed separately from the other excess material. The topsoil windrows shall be re-seeded using the interim seed mix and track walked or drag chained at the time the location is constructed. The topsoil removed from the pit area shall be stored separately and will not be re-seeded until the pit is reclaimed. When the reserve pit is closed, it shall be re-contoured and the topsoil re-spread, and the area shall be seeded using the interim seed mix listed below.
- Upon well completion, the well pad location up to the deadmen, shall be re-contoured to the approximate natural contours and the stockpiled topsoil shall be spread evenly over the reclaimed area and then re-seeded using the interim seed mix.
- Reclamation:

Interim seed mix:

Hy-crest Crested Wheatgrass	<i>Agropyron cristatum</i>	4 lbs/acre
Squirreltail grass	<i>Elymus elymoides</i>	4 lbs/acre
Western Wheatgrass	<i>Agropyron smithii</i>	4 lbs/acre

Final reclamation seed mix:

Hy-crest Crested Wheatgrass	<i>Agropyron cristatum</i>	4 lbs/acre
Squirreltail grass	<i>Elymus elymoides</i>	4 lbs/acre
Western Wheatgrass	<i>Agropyron smithii</i>	4 lbs/acre

Wyoming Big Sagebrush *Artemisia tridentata* var. *wyomingensis* ½ lbs/acre

- All pounds are in pure live seed.
 - All seed and mulch shall be certified weed free.
 - Drill seeding is the preferred method.
 - Rates are set for drill seeding; double the rate if broadcasting.
 - If broadcasting seed: The seed shall be walked into the soil with a dozer immediately after the seeding is completed, or covered by soil using a drag chain.
 - Reseeding shall be required if initial seeding is not successful.
- Once the location is plugged and abandoned, the well location and access road shall be re-contoured to the natural topography, topsoil shall be re-spread, and the entire location and access road shall be seeded with the final reclamation seed mix. Seed application shall follow all guidelines in the final reclamation seed mix bullet statement above. If reclamation seeding should take place using the broadcast method, the seed at a minimum shall be walked into the soil with a dozer, immediately after the seeding is completed, or covered by soil using a drag chain.

DOWNHOLE CONDITIONS OF APPROVAL:

SITE SPECIFIC DOWNHOLE COAs:

- All 10M BOPE shall meet the requirements of Onshore Order #2, including the requirement for a 10M annular.
- A formation integrity test shall be performed before drilling more than twenty feet below the casing shoe on the 9 5/8" surface casing and 7" intermediate casing.
- The top of the 7" intermediate casing cement shall extend a minimum of 200 feet above the surface casing shoe.
- The top of the production casing cement shall extend a minimum of 500 feet above the 7" casing shoe.
- Logging program: run Gamma Ray to surface. The cement bond log run in the intermediate casing shall be run to top of cement if below the surface casing shoe and at least 200 feet above the surface casing shoe if the cement top is above the surface casing shoe. The cement bond log run in the production casing shall be run to a minimum of 500 feet above the intermediate casing shoe.

Variances Granted:

Air Drilling:

- Properly lubricated and maintained rotating head, variance granted to use a properly maintained and lubricated diverter head in place of a rotating head.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 35' from the well bore.
- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for two truck/trailer mounted air compressors located within 30 feet from the well bore and ninety degrees from the blooie line.
- In lieu of mud products on location, Enduring will have a 300 or 400 bbl. water tank containing water for kill fluid.

Enduring is granted permission to mount a deflector at the end of the blooie line.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the

BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

CONFIDENTIAL

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-81748
2. NAME OF OPERATOR: Enduring Resources, LLC		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: n/a
3. ADDRESS OF OPERATOR: 475 17th Street, Suite 1500 CITY Denver STATE CO ZIP 80202		7. UNIT or CA AGREEMENT NAME: n/a
4. LOCATION OF WELL FOOTAGES AT SURFACE: 580' FSL - 790' FWL		8. WELL NAME and NUMBER: Bonanza 9-24-14-3
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 3 9S 24E S		9. API NUMBER: 4304740076
COUNTY: Uintah		10. FIELD AND POOL, OR WILDCAT: Devils Playground
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: Request for APD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	Extension

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Enduring Resources, LLC respectfully requests a one year extension of the expiration date of this Application for Permit to Drill.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-18-2009
By: [Signature]

COPY SENT TO OPERATOR

Date: 5.19.2009
Initials: KS

NAME (PLEASE PRINT) <u>Alvin R. (Al) Arlian</u>	TITLE <u>Landman - Regulatory Specialist</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/15/2009</u>

(This space for State use only)

RECEIVED

MAY 18 2009

DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 4304740076
Well Name: Bonanza 9-24-14-3
Location: 580' FSL - 790' FWL, SWSW, Sec 3, T9S-R24E
Company Permit Issued to: Enduring Resources, LLC
Date Original Permit Issued: ~~5/19/2008~~ 5/22/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

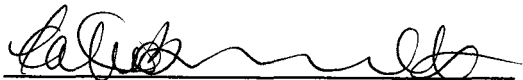
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

~~6/1/2009~~ 5-15-2009
Date

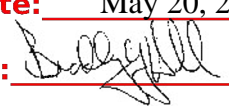
Title: Administrative Assistant

Representing: Enduring Resources, LLC

RECEIVED

MAY 18 2009

DIV. OF OIL, GAS & MINING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9																														
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PHONE NUMBER: 303 350-5114 Ext		9. FIELD and POOL or WILDCAT: DEVILS PLAYGROUND																														
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Approved by the Utah Division of Oil, Gas and Mining Date: May 20, 2010 By: 																																
NAME (PLEASE PRINT) Alvin Arlian		PHONE NUMBER 303 350-5114																														
SIGNATURE N/A		TITLE Landman-Regulatory																														
DATE 5/19/2010																																



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources
Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047400760000

API: 43047400760000

Well Name: BONANZA 9-24-14-3

Location: 0580 FSL 0790 FWL QTR SWSW SEC 03 TWP 090S RNG 240E MER S

Company Permit Issued to: ENDURING RESOURCES, LLC

Date Original Permit Issued: 5/22/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Approved by the
Utah Division of
Oil, Gas and Mining**

Signature: Alvin Arlian

Date: 5/19/2010

Title: Landman-Regulatory **Representing:** ENDURING RESOURCES, LLC

Date: May 20, 2010

By:

RECEIVED May 19, 2010



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal.html>

June 24, 2010



IN REPLY REFER TO:
3160 (UTG011)

Alex B. Campbell
Enduring Resources, LLC
475 17th Street, Suite 1500
Denver, CO 80202

43-647-40076

Re: Request to Withdraw APD
Well No. Bonanza 9-24-14-3
SWSW, Sec. 3, T9S, R24E
Uintah County, Utah
Lease No. UTU-81748

Dear Mr. Campbell:

The original Application for Permit to Drill (APD) for the above referenced well was approved on November 25, 2008. This office received a request via email from you to Bill Stringer dated June 22, 2010, advising by this letter, formally notifying the BLM to withdraw the captioned Application for Permit to Drill. In view of the foregoing, this office is rescinding its approval of the referenced Application for Permit to Drill per your request. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

Al Arlian verified with Petroleum Engineer Ryan Angus of this office that no surface disturbance has been made for this drill site.

If you have any questions, please contact me at (435) 781-4502.

Sincerely,

James H. Sparger
Acting Assistant Field Manager
Lands & Mineral Resources

cc: UDOGM

RECEIVED

JUL 19 2010

DIV. OF OIL, GAS & MINING



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 18, 2011

Al Arlian
Enduring Resources, LLC
475-17th Street, Ste. 1500
Denver, CO 80202

Re: APD Rescinded – Bonanza 9-24-14-3, Sec.3 T.9S, R.24E
Uintah County, Utah API No. 43-047-40076

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 22, 2008. On May 18, 2009 and May 20, 2010 the Division granted a one-year APD extension. On May 18, 2011, you requested that the APD be rescinded. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 18, 2011.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal





GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 18, 2011

Al Arlian
Enduring Resources, LLC
475-17th Street, Ste. 1500
Denver, CO 80202

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Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal





GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 18, 2011

Al Arlian
Enduring Resources, LLC
475-17th Street, Ste. 1500
Denver, CO 80202

Re: APD Rescinded – Bonanza 9-24-14-3, Sec.3 T.9S, R.24E
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If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal





GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 18, 2011

Al Arlian
Enduring Resources, LLC
475-17th Street, Ste. 1500
Denver, CO 80202

Re: APD Rescinded – Bonanza 9-24-14-3, Sec.3 T.9S, R.24E
Uintah County, Utah API No. 43-047-40076

Dear Mr. Arlian:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on May 22, 2008. On May 18, 2009 and May 20, 2010 the Division granted a one-year APD extension. On May 18, 2011, you requested that the APD be rescinded. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 18, 2011.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

